RAJYA SABHA

Thursday, the 25th July, 1996/3rd Shravana, 1918 (Saka)

The House met at eleven of the clock, **Mr. Chairman** in the Chair

ORAL ANSWERS TO QUESTIONS

*221. [*The questioner (Shri S. Muthu Mani) was absent. For answer* vide *col. 29 infra.*]

Repealing the Urban land (Ceiling and Regulation) Act, 1976

*222. SHRI K. RAHMAN KHAN: Will the PRIME MINISTER be pleased to state:

(a) whether Goverment are considering repealing the Urban Land (Ceiling and Regulation) Act, 1976;

(b) whether concurrence of the State Governments is required for repealing the said Act; and

(c) if so, how many states have given their concurrence and the states which are yet to give their concurrence?

THE MINISTER OF STATE IN THE MINISTRY OF URBAN AFFAIRS AND EMPLOYMENT (DR. U. VENKATESWARLU): (a) No, Sir.

(b) The Urban Land (Ceiling & Regulation) Act, 1976 was enacted by the Parliament under article 252 (1) of the Constitution and it can be amended or repealed by the Parliament if a Resolution to that effect is passed by the Legislature (s) of at least two States.

(c) No State has passed such a Resolution for repealing the Act.

SHRI K. RAHMAN KHAN: Mr. Chairman Sir, The Urban Land (Ceiling and Regulation) Act, 1976 was enacted twenty years back. This Act was enacted under the provisions of article 252(1) of the Constitution.

The purpose of enacting this act was to regulate the urban land. But unfortunately, this Act has been misused. This Act is only there in the Statute book for corruption. No urban land has been taken over or used for the prupose for which this Act was brought into force. So I would like to know from the hon. Minister whether the Government has made any assessment as to how much urban excess land is available in the country since the Act is enacted and out of that how much excess land has been exempted.

DR. U. VENKATESWARLU: Sir, the hon. Member has very rightly observed that though this Act is twenty years old very little has been done in different States. Sir, This specific answer to the question that the Member has asked is that the total land that is identified to the vacant and surplus in excess of the provisions is 2,20,674 hectares. That is the total identified land. But the land that has been actually taken possession of by different State Governments is only 15,320 hectares. This means, only 6.75 per cent of the total identified land has been acquired.

SHRI K. RAHMAN KHAN: Sir, the hon. Minister has furnished the figures that out of a total of 2,20,674 hectares which has been identified as the excess land available for use, only 15,320 hectares of land has been taken over by the Government. But sir, the hon. Minister has not furnished the figure in regard to the quantum of exemptions that have been given by the different State Governments, misusing the provisions of the Act. Sir, there has been corruption in this. As a result, some of the big chunks of land have not been acquired, have not been taken over, under the provisions of this Act. Therefore, I would like to know from the hon. Minister, in view of the fact that he himself has admitted that the Act has not served any purpose over the last more than twenty years, in view of the fact that the Central Government itself has said a number of times that this Act has not served the purpose for which it was enacted, whether the Government would consider either repealing this Act, or, bringing in suitable amendments to the Act, so that the purpose for which this enactment was made more than twenty years back could be served.

DR. U. VENKATESWARLU: Sir, as for the question put by the hon. Member about the extent of land which has been exempted by the different States, the figures are not available.

This is because the implementation of this Act is, normally, done by the States. The different States have been implementing it. Even this Act which was enacted in 1976 was entirely based on the resolutions that were passed by different States. This has been made amply clear in the first part of the answer. Under article 252(2) of the Constition, unless the State Governments pass resolutions the Central Government cannot interfere. Since as many as twelve States came forward at that time, i.e. before 1976 this Act was enacted by Parliament in 1976.

Subsequently, Sir, in different States, there were certain abuses; certain exemptions were given. Then, in 1992, a Chief Ministers' Conference was held. In the Chief Ministers' Conference, four States, namely, Andhra Pradesh, Gujarat, Himachal Pradesh and Rajasthan, Categorically recommended that the Act should be repealed. But Resolutions could not be passed by the Legislatures of these States. That is why it has been mentioned in part (c) of the answer that no State has passed any such Resolution for repealing the Act. This was recommended in the Chief Minister's Conference, but they have not come out with any Resolution. That is the reason why, subsequently no attempt was made.

At the same time, the Central Government did not keep quiet at that stage. The Central Government made several attempts, as the yield was very meagre, under the provisions of this Act. As I said, the Chief Ministers' Conference was held in the month of March, 1992. In that meeting, it was said clearly that the act should either be replealed or simplified. But as no State came up with the necessary Resolution, the Act was not repealed; no attempt was made. As I pointed out, the State Governments of Andhra Pradesh, Gujarat, Himachal Pradesh and Rajasthan categorically recommended the repealing of this Act. Then, a note was prepared for the Cabinet on 14.9.92, containing both the options, and placed before the Cabinet. In its meeting held on 20.10.92, the Cabinet referred the matter to a Group of Ministers headed by the then Home Minister, Shri S.B. Chavan. This Group of Ministers held a meetintg on 7.2.1994, and even this Group of Ministers did not recommend repeal of the Act. So, at that stage, in view of the low performance of this Act, the Union Government thought that the other option was to bring about comprehensive amendments as far as this particular Act was concerned. The Government is actively considering bringing about comprehensive amendments to overcome some of its provisions which are deterrent, in fact, which are having a deleterious effect on the implementation of the Act.

SHRI N.K.P. SALAVE: Sir, the figures given by the Minister of the land identified as excessive and the land actually taken in possession itself is a testimony to the fact that this particular law—the Uurban Land (Ceiling and Regulation) Act, 1976—is one of the biggest legislative frauds on the people.

SHRIMATI RENUKA CHOWDHURY: What were you all doing?

SHRI N.K.P. SALVE: Yes, we had committed mistakes. You don't repeat them.

SHRIMATI RENUKA CHOWDHURY: Thank you for the good advice.

SHRI N.K.P. SALVE: It is never too late to learn. And speaking of that Group of Ministers, Mr. Minister, if you scan further the proceedings of some of the meetins of the Cabinet, you will perhaps find some other views also. I am not disclosing what it is because I am forbidden by my oath to tell you what transpired there. But one thing is absolutely clear. This law has given rise not only to corruption on a very large scale but has hopelessly impeded the construction activity in the urban areas, which is extremely important. And another outcome of this is, the prices of land have skyrocketed for no rhyme or reason. I would, therefore, ask of the Prime Minister whether he would evaluate and reassess the worthwhileness of this kind of a legislation and take active measures to see that the law is replealed lock, stock and barrel.

THE PRIME MINISTER (SHRI H.D. DEVE GOWDA): Sir, on the question of repleaing the Act, unless the State Legislatures pass a resolution and request the Central Government to repeal it in toto, we cannot scrap it suo motu. I will tell you, very frankly, about this particular issue. In 1992, four Chief Ministers had rquested the Central Government to reconsider certain amendments that they had

proposed. Subsequently, in 1995, as Chief Minister of Karnataka I proposed certain amendments and requested the then Minister in charge of Urban Development, and the former Governor. We had a joint meeting, and in that meeting we took a decision to see that certain necessary amendments should be brought forward so that the economic liberalization could be taken advantage of for the construction of houses for the weaker sections, taking advantage of the available land. In that background I persuaded the Government of India.

This matter was under consideration and the then Minister assured that they were going to bring the necessary amendments. The draft amendments are there and they are under the active consideration of the Government.

So far as repeal of the Act is concerned, unless the State Legislatures pass a resolution, it cannot be done. About 12 States had agreed earlier—I hope my friend has given the details. All the States have not agreed to this. Only 12 States in the whole country have agreed, and in those 12 States the Act is in active operation. But it is not active in all the cities. This is not a uniform Act throughout the country. Only where they had agreed to implement this Act by passing a resolution in the Legislatures, in those States only it is in operation. So, again, to repeal or scrap this Act, a resolution of the State Legislatures is required, according to the advice given by the Law Ministry. So I will consider this aspect, what the hon. senior Member has suggested, and I will consult all the Chief Ministers. If they all agree, we will think over this matter.

SHRI N.K.P. SALVE: Sir, I am aware of the limitation of the Central Government in repealing the law without concurrence of the State Legislatures. What I suggested was that the Prime Minister should take some steps because he, with his disarming manner, might be able to persuade them more efficaciously than what we have been able to do.

SHRI H.D. DEVE GOWDA: Sir, on this issue, I need the co-operation of all political parties. They should not think that I am very anxious to give some relief to the land-owners or those people who are having excess land over and above the ceiling limit. It should not be misconstrued that I am very anxious to give all types of concessions to them. If all the States agree, I am prepared to consider this.

श्री गया सिंह: सभापति महोदय, माननीय प्रधान मंत्री जी के जवाब के बाद में समझता हूं कि जो उन्होंने अभी चर्चा में अपने जवाब में कहा, उस पर उनको विचार करना चाहिए और परसुएसन करना चाहिए चीफ मिनिस्टर एंड अदर्स पॉलिटिकल पार्टीज से। मुझे उम्मीद है कि जो उन्होंने अभी इच्छा जाहिर करी है, वे उसको करें, तो इससे 20 साल पुराने इस कानून में परिवर्तन करना और जो नया अरबन एरिया अभी डेवलप हुआ हैं, उसमें इसकी आवश्यकता है। इसलिए प्रधान मंत्री जी के जवाब से मैं संतुष्ट हूं।

SHRI H.D. DEVE GOWDA: I will call the leaders of all political parties, and I will take their views also into consideration. In the meanwhile, some of the amendmends suggested by the Department will also be considered. By taking the consensus of all the political parties and the opinion of the Chief Ministers of the States, I will try to bring in a comprehesnvie amendment to this.

डा० ईश्वर चन्द्र गुप्ता: माननीय सभापति महोदय, मैं प्रधान मंत्री जी से सहमति व्यक्त करता हूं और कहना चाहता हूं कि अरबन लैंड सीलिंग एक्ट एक ऐसा एक्ट है जिससे अरबन एरिया में जमीनों की कीमतें बहुत ज्यादा बढ़ गई हैं। मैं यह जानना चाहता हूं मंत्री जी से कि जब से यह एक्ट लागू हुआ है, कितनी जमीनें छोटे गरीब लोगों के मकानों के लिए आबंटित की गई हैं? वास्तविक स्थिति यह है कि बैंकों का, फाइनेंशियल इंस्टीटयूशन्स का भी आज करोड़ों रुपया इसलिए बकाया है कि उन जमीनों को बेच नहीं सकते। आज जो फैक्टरियां लग रही हैं और एग्रीकल्चर जमीनों पर फैक्टरियां लगाने के लिए उनको इजाजत नहीं दी जाती। मुझे खुशी है कि कर्नाटक में आपके नेतृत्व में वहां पर एक नियम बना है कि अगर फैक्टरी बनाई जाए तो उसका लैंड यूज़ चेंज कर दिया जाए, यह स्थिति कर्नाटक में है लेकिन अधिकतर स्टेट्स में, जहां यह लैंड सीलिंग कानून लागू है, वहां फैक्टरियां लागू नहीं होती और दुर्भाग्य की बात यह है कि यह कानून एक ऐसे समय में बना था जब इमरजैंसी थी, इसके ऊपर कोई चर्चा पार्लियामेंट में नहीं हुई थी और बड़ी जल्दी में यह कानून पास हुआ था और उसके बाद की जितनी भी सरकारें आई है, समय-समय पर हर मंत्री ने यह कहा है कि इसमें संशोधन किया जाएगा, लेकिन दुर्भाग्य से उसमें कोई संशोधन नहीं हुआ है। अब मंत्री जी ने मिनिमम

प्रोग्राम में हाउसिंग को विशेष महत्व दिया है और वह हाउसिंग की महत्व वाली बात तभी लागू हो सकती है जब कि अरबन लैंड सीलिंग कानून को पूरी तरह से समाप्त कर दिया जाए। मेरा उनसे निवेदन है कि कृपया विस्तारपूर्वक इसके ऊपर अध्ययन करें और इस कानून को जल्द से जल्द समाप्त कर दे।

DR. U. VENKATESWARLU: The hon. Prime Minister has amply made it clear that the Government is at it and that the Government is contemplating to bring about very comprehensive amendment after taking into confidence all the political parties.

Sir, with regard to the second aspect, it has been observed by the hon. Member that there are several deleterious effects. The prices have gone up very high. Our senior leader, Salveji, has also pointed that out. Most of the land is not made available for going in for a massive housing programme which is the need of the day. But, keeping in view all these things, the Government is ready to bring about these amendments. Even the industrial growth has also been impeded. There is a negative growth rate. So, the Act itself is ridden with several of these adversaries, and there are some of these inadequacies. So, as our Prime Minister has also mentioned it, as far as repealing this is concerned, no State Legislature has come forward with this.

That is the reasons why after taking the Chief Ministers and also the political parties into confidence, the Government is actively considering to bring forward a comprehensive amendment to overcome all these difficulties and also to see that the surplus land is made available to all these sections and that too at concessional rates.

DR. ISHWAR CHANDRA GUPTA: How much land has been used for dwelling houses in the last 20 years?

DR. U. VENKATESWARLU: Sir, I have already answered right in the beginning that the total land that has been made available or procured is very meagre, i.e. 15, 320 hectares. It is really not a figure to be mentioned time and again. (*Interruptions*) We have mentioned that there is a limitation on the part of the Government of India to take this up *suo motu*. Unless the State Government come forward with the permission of their legislatures, this cannot be done. Now it is high time, because our total growth has been hampered, our housing programme itself has been hampered and the growth of the society from its social angle has also been hampered. The Government is at it. Soon we will come up with a comprehensive amendment.

Generation of Power by Private concerns in Gujarat

*223. SHRI RAJUBHAI A. PARMAR: Will the PRIME MINISTER be pleased to state:

(a) the details of power generation proposals by private concerns in Gujarat cleared during the last two years;

(b) the cost thereof, and the capacity to be installed, the rates of power offered by the private companies and approved by Government;

(c) whether rates approved for one concern are higher than those approved for other concerns in Gujarat and other states; if so, the comparative rates approved in respect of different concerns; and

(d) whether a number of eminent persons including M.Ps. and M.L. As. from Gujarat have protested against this; if so, Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (DR. S. VENUGOPALACHARI): (a) to (d) A Statement is laid on the Table of the House.

Statement

(a) to (c) The following proposals for generation of power in Gujarat have been cleared by Central Electricity Authority during the last two years:

Sl. No.	Name of the Project	Capacity	Cost (Rs. Crores)
1.	Baroda CCGT	167 MW	368.22
2.	Hazira CCGT	515 MW	1666.56

The rate of sale of electricity by a generating company to the State Electricity Board (SEB) is determined as per Power Purchase Agreement finalised between the SEB and the Company and the approved financial package. The State Government have not made proposals